



STATE OF UTAH

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# PURCHASING UPDATE

## NEGOTIATIONS ON STATE TERMS AND CONDITIONS IN CONTRACTS AND PURCHASE ORDERS

By: Shirley Williams

When an agency is considering allowing changes to the State Terms and Conditions, the agency should understand their options and be aware of the following guidelines:

1. **Agency Decisions:** An agency can determine that they will not accept any contractor proposed changes to the State Terms and Conditions for their solicitations. Additionally, an agency can determine that they will not accept any additional contractor terms and conditions for their solicitations.
2. **State Purchasing Guidelines:** State Purchasing has some guidelines for agencies, available on request, regarding making changes to the State Terms and Conditions. ***For most Agency Contracts, changes to the State Terms and Conditions would not be allowed.***
3. **Changes to State Terms and Conditions in an Invitation for Bid (IFB) or in a Request for Quote (RFQ):** If State Terms and Conditions will be changed for an IFB or for a RFQ, the changes need to be made either before the IFB or RFQ is publicly posted, or the changes need to be addressed in an Addendum to the IFB or RFQ solicitation. All changes to IFB or RFQ State Terms and Conditions must be approved by the agency's Assistant Attorney General prior to the public posting or solicitation due date. The State Terms and Conditions in an IFB or RFQ need to be the same for all contractors.
4. **Changes to State Terms and Conditions in a Request for Proposal (RFP):** In an RFP, State Terms and Conditions may be negotiated by the agency after the award of the RFP with the potential contractor. (continued on page 2)

## PURCHASING 101 PROCUREMENT TRAINING

By: Tara Eutsler

If you are new to the State of Utah government procurement or just need a refresher on the basic procurement laws and rules, then Purchasing 101 is the training for you. This class will use the Purchasing Flow Chart to teach you what to consider before making a procurement; who Mandatory Use Providers are and when they must be used; how to buy from a cooperative contract; what qualifies for a small purchase; how to make an informal quote by phone/email; and how ethics laws impact you. This class is the place to learn the basics and will not discuss formal bids or the RFP process. Purchasing 101 is geared to the executive branch agencies.

Purchasing 101 Procurement Training  
Date: October 14, 2014  
Time: 10 AM – 12 PM

Location: 1<sup>st</sup> Floor Auditorium, State Office Building, Capitol Hill

Individuals who are interested in this training, please register through the Google drive form at this link: [Purchasing 101 Training for October 14](https://docs.google.com/forms/d/1rZ5mULRpIQ-dsK1jWSjl2MHq7STPwVOW_WgmG25k0/viewform?usp=send_formdocument) or copy and paste the URL into your web browser.

[https://docs.google.com/forms/d/1rZ5mULRpIQ-dsK1jWSjl2MHq7STPwVOW\\_WgmG25k0/viewform?usp=send\\_formdocument](https://docs.google.com/forms/d/1rZ5mULRpIQ-dsK1jWSjl2MHq7STPwVOW_WgmG25k0/viewform?usp=send_formdocument)

Supervisors and managers, please share this article with your employees that would benefit from the training.

## NEGOTIATIONS ON STATE TERMS AND CONDITIONS IN CONTRACTS AND PURCHASE ORDERS (CON'T)

to

(continued from page 1)

All contractors need to be treated similarly.

For agency contracts and purchase orders, changes to the State Terms and Conditions must be reviewed and approved in writing by the agency's Assistant Attorney General, before the changes to State Terms and Conditions are accepted in a contract or a purchase order.

A. **Contracts:** The written approval from the Assistant Attorney General will need to be sent to State Purchasing when the contract is sent for processing. Flag the Assistant Attorney General's approval document to help the Contract Analyst in State Purchasing locate the approval and avoid legal review delays.

B. **Purchase Orders:** Please contact the responsible Purchasing Agent in State Purchasing for the procedures to process changes to a purchase order terms and conditions.

5. **Risk Management Review:** Risk Management's Director or Risk Management's Assistant Attorney General will need to approve, in writing, any material changes or additions to the following terms:

- A. Indemnity or Hold Harmless
- B. Patent, Copyrights (may be labeled as Indemnification – Intellectual Property)
- C. Limitations of Liability
- D. Insurance
- E. State responsibilities that may have legal consequences
- F. State responsibilities that may have material costs to the State

The written approval from Risk must be sent with the contract as backup documentation when the contract is sent to State Purchasing. Flag Risk Management's approval document to help the Contract Analyst in State Purchasing locate the approval and avoid legal review delays.

6. **Limitation of Liability:** Neither contracts nor purchase orders should have a limitation of liability clause added by the vendor that has limitations on claims for injuries

persons, death, property damage, or patent/copyright infringements, unless the limitation of liability is specifically approved in writing by Risk Management. Any limitation of liability, if accepted, should be reasonable for the State and adequate for the contract; and the limitation of liability must be reviewed and approved by the agency's Assistant Attorney General.

7. **Contractor Terms and Conditions:** All contractor terms and conditions must be reviewed and approved in writing by the agency's Assistant Attorney General, before they are accepted in a contract or a purchase order. Generally, contractor terms and conditions will need to be revised and negotiated with the contractor before the State will accept them. Contractor terms and conditions should be carefully evaluated for additional risks, potential costs, and limitations of contractor liability. These vary depending on the contract amount and the type of products or services that the agency is acquiring. Any material conflicts with the State Terms and Conditions should be resolved in coordination with the agency's Assistant Attorney General.



## DID YOU KNOW?: STATE OF UTAH “BEST VALUE” CONTRACTS—DATA COMMUNICATIONS

By: Jeff Mottishaw

The new Data Communications contracts are now available and some have been since June 1, 2014. The old Data Communications contracts expired on August 31, 2014. With these new contracts, there are more awarded vendors to choose from and an expanded list of categories. The awarded vendors on the new contracts are:

* Adtran	AR607
* Aruba Networks	AR608
* Avaya	AR603
* Brocade	AR214
* Ciena	AR612
* Cisco Systems	AR233
* D-Link Systems	AR613
* Dell	AR602
* EMC	AR620
* Enterasys/Extreme	AR1470
* F5	AR615
* Fujitsu Network	AR615
* Hewlett Packard	AR1464
* Huawei Enterprises	AR617
* IBM	AR618
* Infoblox	AR619
* Juniper Networks	AR229
* Mitel Business Sys	AR623
* Palo Alto Networks	AR626
* Shore Tel	AR627

Awards on these contracts were made on a

category basis which are listed below. Please ensure that the products you are purchasing are in the categories awarded to the vendor for whom you are making the purchase.

- Data Center Application Services
- Networking Software
- Network Optimization and Acceleration
- Optical Networking
- Routers
- Security
- Storage Networking
- Switches
- Wireless
- Unified Communications
- Services
- Maintenance Services
- Professional Services
- Partner Services
- Training



## PURCHASING DIVISION PERSONNEL CHANGES

We have had some changes at State Purchasing. The first change in personnel is Rachel Cheney has left the State for another opportunity. She will be greatly missed. Her commodities have been split between Vinessa Baldwin and Ann Schliep. Please check the updated commodities list on the Purchasing web-site for the

changes.

We would like to welcome Dana Edwards-Wyms as our new Purchasing Technician. She will be helping with the technical duties, i.e. purchase orders and contracts, etc.

# DID YOU KNOW?: STATE OF UTAH “BEST VALUE” CONTRACTS—FedEx AND UPS

By Garret Johnston

## Are You Spending Too Much on Inbound Shipping?

Experience has shown that actual shipping costs can be reduced to as little as one (1%) percent or less of the merchandise value when buyers request their vendors to use the Small Parcel WSCA contract (MA065 and MA454). When instructing vendors/shippers to use the WSCA discounted shipping rates, work with your specific purchasing agency for the correct language to add to your Purchase order. It may look something like the following:

Using your MA454 FedEx account number?: Your PO to the shipper may say, “Reference this Purchase Order number and show consignee as [YOUR AGENCY NAME HERE] on Bill Of Lading or FedEx Bill. Ship FOB Destination, Collect. Use FedEx GROUND ONLY up to 200 LB. Bill FedEx account number XXXXXXXXXX, zip code XXXXX. Over 200 LB. call [YOUR AGENCY'S PURCHASING DEPT PHONE # HERE] for TL and LTL routing. Any charges incurred due to misdirected shipments will be charged back to vendor.”

Using your MA065 UPS account number?: Your PO to the shipper may say, “Reference this Purchase Order number and show consignee as [YOUR AGENCY NAME HERE] on Bill Of Lading or UPS Bill. Ship FOB Destination, Collect. Use UPS GROUND ONLY up to 200 LB. Bill UPS account number XXXXXXXXXX, zip code XXXXX. Over 200 LB. call [YOUR AGENCY'S PURCHASING DEPT PHONE # HERE] for TL and LTL routing. Any charges incurred due to misdirected shipments will be charged back to vendor.”

1.) Q: What if our Inbound package is lost or damaged at time of delivery?

Small package shipping is different from freight shipping. In the small package delivery environment, it is the shipper who is reimbursed by the carrier's claims department and therefore the shipper needs to file the claim no matter who pays the transportation. In the rare case that a shipment is lost or damaged, it is good practice to obtain the tracking number from the shipper. Then you will want to call the carrier's 800 Support number listed in the contract and ask how much the shipping charge is for the lost shipment. If the shipper has not filed an incident report with the carrier, they may be planning to just use their

cargo insurance to cover the loss. If so, you may need to ask the shipper to reimburse your shipment cost on the loss shipment.

**LOST PACKAGE:** Contact the shipper for a resolution and tracking number. Second, call the carrier's 800 Support number listed in the contract, see if the shipper has filed a claim, and obtain the shipping charge amount.

**DAMAGED PACKAGE:** You can refuse a damaged package and the carrier's driver will take it back for investigation. Contact the shipper and let them know that the package was refused for damage and make arrangements for a replacement shipment.

**CONCEALED DAMAGED:** If you accepted the package and found the contents damaged, call the carrier's 800 Support number listed in the contract. The carrier will return to the delivery point, inspect the damage, and retrieve the package with all of its contents. Remember to also contact the shipper and let them know that the package was damaged and make arrangements for a replacement shipment.

FedEx Government Service: 800-645-9424.

UPS Enterprise Government Support: 800-877-1497.

2.) Q: Is there a way to track Inbound packages?

Yes. If you have instructed the shipper to use your account number and to add the PO number in the reference section, then you can track shipments via PO# without knowing the tracking number. Otherwise, you will need to obtain the tracking number from the shipper. UPS shipments can be tracked via UPS.com and FedEx shipments can be tracked via FedEx.com.

3.) Q: For shippers that I regularly receive shipment, will my carrier help me move shippers to my WSCA account number?

Yes. You can call your point of contract at the carrier of your choice and they can help you. Or you can do it yourself with a form letter developed by the carrier. To get a copy, email the Lead Purchasing Agent, Garret Johnston, [gjohnston@utah.gov](mailto:gjohnston@utah.gov), and he will send you the form.



STATE OF UTAH

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**We're on  
the Web !**  
[purchasing.utah.gov](http://purchasing.utah.gov)

This newsletter was  
edited by Ann Schliep. If  
you have any questions  
or comments, please  
email them to  
[aschliep@utah.gov](mailto:aschliep@utah.gov)

## NEW STATE OF UTAH “BEST VALUE” COOPERATIVE CONTRACTS

TITLE	CONTRACT	VENDOR	DATES	ADDITIONAL INFORMATION
Light Emitting Diode (LED) Signal and Pedestrian Modules	<a href="#"><u>MA828</u></a>	Dialight Corporation	08/18/2014-08/19/2019	New contract/ same vendor
Light Emitting Diode (LED) Signal and Pedestrian Modules	<a href="#"><u>MA2148</u></a>	Leotek Electronics USA LLC	08/18/2014-08/19/2019	
Data Communication Equipment & Services	<a href="#"><u>AR229</u></a>	Juniper Networks (US), Inc.	06/01/2014-05/31/2019	New contract/ same vendor
Data Communication Equipment & Services	<a href="#"><u>AR609</u></a>	Barracuda Networks	06/01/2014-05/31/2019	
Education Furniture—Student (Dorm) Housing (Residential Furniture)	<a href="#"><u>MA662</u></a>	American Seating Co	06/14/2014-06/13/2019	
Education Furniture—Cafeteria Furniture, Stages and Risers	<a href="#"><u>MA663</u></a>	AmTab Manufacturing Corporation	06/14/2014-06/13/2019	
Education Furniture—General Education, Storage & Accessories, and Stages & Risers	<a href="#"><u>MA670</u></a>	Hertz Furnitures Systems, LLC	06/14/2014-06/13/2019	
Education Furniture—Generals Education Furniture, Residential Furniture, Cafeteria Furniture, Lecture Hall & Auditorium Furniture	<a href="#"><u>MA671</u></a>	Kreuger International, Inc. (KI)	06/14/2014-06/13/2019	
Education Furniture—Lecture Hall and Auditorium Furniture	<a href="#"><u>MA677</u></a>	Sedia Systems, Inc.	06/14/2014-06/13/2019	
Electrical Contractor Services	<a href="#"><u>PD2154</u></a>	Peerless Electric LLC	09/10/2014-09/09/2019	Replaces: MA947 and MA948
Men’s White Brief, Men’s Olive Brief, Men’s White Boxer, Women’s White Brief, Women’s Hi-Cut Brief, Women’s Night Shirt	<a href="#"><u>PD2147</u></a>	Victory Supply	08/31/2014-09/01/2019	Replaces PD1215
Education Furniture—Residential Furniture	<a href="#"><u>MA668</u></a>	Foliot Furniture Pacific Inc.	06/14/2014-06/13/2019	
Combination Sewer Cleaner	<a href="#"><u>MA2150</u></a>	Neverest Equipment Co	09/15/2014-09/16/2019	
Combination Sewer Cleaner	<a href="#"><u>MA2151</u></a>	Maric Sales LLC	09/15/2014-09/16/2019	

\*The brief information in this newsletter is intended to highlight new contracts and contract changes. Always read the entire contract information sheet prior to making a purchasing decision.

## NEW STATE OF UTAH “BEST VALUE” COOPERATIVE CONTRACTS

Combination Sewer Cleaner	<a href="#"><u>MA2152</u></a>	Cate Rental & Sales LLC	09/15/2014-09/16/2019	
Combination Sewer Cleaner	<a href="#"><u>MA2153</u></a>	Legacy Equipment Company	09/15/2014-09/16/2019	
Flexible Mastic Asphalt Crack Sealing Compound	<a href="#"><u>PD959</u></a>	Crafco Inc	09/20/2014-09/21/2019	New Contact/ Same Vendor

## EXTENDED STATE OF UTAH “BEST VALUE” COOPERATIVE CONTRACTS

TITLE	CONTRACT	VENDOR	DATES	ADDITIONAL INFORMATION
Security/Protection Systems (Access control Systems, Burglar Alarms, & Closed Circuit Television (CCTV))	<a href="#"><u>MA591</u></a>	Utah-Yamas Controls, Inc.	10/31/2017	Multiple Award
Primary contract for road salt types D & E F.O.B. Redmond, Utah	<a href="#"><u>MA831</u></a>	Redmond Minerals	09/30/2017	Multiple Award
Computers-Manufacturer Direct (WSCA) - Energy Star Compliant	<a href="#"><u>MA965</u></a>	EMC Corporation	12/31/2014	Multiple Award
Temporary Employment Services	<a href="#"><u>MA2041</u></a>	22nd Century Staffing Inc.	11/24/2015	Multiple Award
Snag Free Institutional Blanket (Blue or Gray)	<a href="#"><u>PD097</u></a>	Bob Barker Company	08/31/2016	
Digital In-Car Video	<a href="#"><u>MA300</u></a>	CDW Government, Inc.	09/16/2017	Multiple Award
In-Car Digital Video Systems	<a href="#"><u>MA305</u></a>	Enforcement Video LP—dba: WatchGuard Video	09/16/2017	Multiple Award
Digital In-Car Video Systems	<a href="#"><u>MA309</u></a>	Public Safety Equipment, LLC	09/16/2017	Multiple Award
Out Front Mower	<a href="#"><u>MA017</u></a>	Bonneville Equipment	09/30/2015	

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## EXTENDED STATE OF UTAH “BEST VALUE” COOPERATIVE CONTRACTS

TITLE	CONTRACT	VENDOR	DATES	ADDITIONAL INFORMATION
Computers-Manufacturer Direct (WSCA) - Energy Star Compliant	<a href="#"><u>MA130</u></a>	IBM Corporation	12/31/2014	Multiple Award Contract
Computers-Manufacturer Direct (WSCA) - Energy Star Compliant	<a href="#"><u>MA2008</u></a>	Oracle America Inc.	12/31/2014	Multiple Award Contract
Security/Protection Systems Access control Systems, Burglar Alarms, & closed Circuit Television (CCTV)	<a href="#"><u>MA590</u></a>	Hawaiya Technologies, Inc. (HTI)	10/31/2017	Multiple Award Contract
Computers—Manufacturer Direct (WSCA) - Energy Star Compliant	<a href="#"><u>MA227</u></a>	Panasonic Systems Communications	12/31/2014	Multiple Award Contract
Temporary Employment Services	<a href="#"><u>MA1090</u></a>	Elwood Staffing Services (formerly SOS Staffing)	05/24/2015	Multiple Award Contract
Temporary Employment Services	<a href="#"><u>MA1822</u></a>	Strategic Staffing dba Barrett Business Services	05/24/2015	Multiple Award Contract
Temporary Employment Services	<a href="#"><u>MA2042</u></a>	US Tech Solutions Inc.	05/24/2015	Multiple Award Contract

## EXPIRED OR CANCELED STATE OF UTAH “BEST VALUE” COOPERATIVE CONTRACTS

TITLE	CONTRACT	VENDOR	CANCELED DATE	ADDITIONAL INFORMATION
Electrical Contractor Services	MA947	STF Electrical Services, Inc.	08/24/2014	Replaced with PD2154
Electrical Contractor Services	MA948	Peerless Electric LLC	08/24/2014	Replaced with PD2154
Men's White Brief, Men's Olive Brief, Men's White Boxer, Women's White Brief, Women's Hi-Cut Brief, Women's Night Shirt	PD1215	Bob Barker Company, Inc.	08/31/2014	Replaced with PD2147
Utility Audit Services	MA953	Hearthstone Management Group LLC	08/31/2014	Replaced with PD2149.
Wireless, Battery-Powered Magnetometer Vehicle Detection System	PD067	Gades Sales	05/1/2014	Will not be replaced.

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